

# SOCIAL ACTION

## LABOR and DEMOCRACY

by  
James Myers

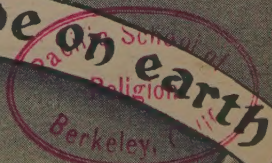


... will be

done on earth

B. H. WHITE

September 15, 1939



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Frederic W. Chamberlain is President of the Warren Featherbone Company of Three Oaks, Michigan.

Due to lack of space, it has been necessary to omit many of the footnotes, and in some instances to condense the text of "Labor and Democracy."

The cartoon appearing on page 6 was drawn by Russell O. Berg for *Survey Graphic*.

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## MUTUALITY IN INDUSTRY

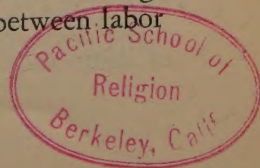
Fundamentally, the problem of industry is an accurate and equitable expression of mutuality of interest. The employer provides a basic idea, a place in which that idea is expressed, and an opportunity and training for work. The employee furnishes time, skill, and that intangible quality variously described as application, or loyalty, or responsibility, which makes his work effective.

The employer may be, though he seldom is, an individual with a considerable and exclusive personal investment. Usually the employer is a collection of smaller investors, which emphasizes, anew, this basic factor of mutuality.

Given the broad charter herein suggested, mutuality finds a variety of challenges. At the outset it must recognize that if it is to "share-the-wealth" it must also "share-the-poverty." Our capitalistic system is essentially a profit and loss system. It operates in relation to a rapidly changing economic order. It undertakes to adapt itself to variances in the public need and temper.

Mutuality must find incentives. Incentives contribute to interest and interest leads to performance. Ultimately the value of service rests in performance, and stability and profits are measured by it. Performance creates values in production which add immeasurably to the public well-being.

Mutuality contributes to equity. And the government is making a further contribution to equity in the Wages and Hours Law and in Social Security Legislation. There is a growing consciousness of the value of continuing employment at a given place; and the privilege of retirement at a given age. There is no serious dissent anywhere from the current recognition of the collective rights of labor. There should be the same free association in labor that there is in management. But the largest benefits will come from the freest association between labor and management.



The competition of the day presents, in many instances, a realistic check to idealism. Constant effort should be made by legislation and by industrial practice to bring our realism up to the level of our idealism. Toward this end, the free association of labor is making its contribution; as is association in industry. But, for the sake of emphasis, may I say again that the greatest advance toward mutuality will come through the freest interchange of thought by all the workers, of every type, in any enterprise.

FREDERIC W. CHAMBERLAIN

## INTRODUCTION

This issue of SOCIAL ACTION contains three of the seventeen chapters of a forthcoming volume on labor unions by the Rev. James Myers, who is the Industrial Secretary of the Federal Council of the Churches of Christ in America. He presents his personal findings based on many years of study, investigation and first-hand contacts with employers and labor in many industries. Naturally the three chapters we have published herewith deal with only a small part of the wider history and problems, policies and practices of organized labor which Mr. Myers discusses in his book. Before coming to the Federal Council fourteen years ago, Mr. Myers was for seven years Personnel Director in a factory where he had charge of labor relations.

For a fuller understanding it is highly important to know something of the advancing status of labor; from the slave to the serf; from the serf to the wage earner. But the present legal relationship is still, in many ways, that of the master and servant. This is not understood by many who, if they were fully aware of the legal implications, might be more inclined to sympathize with and to encourage wage earners to achieve their full rights within a democracy. The right of workers to organize and to bargain collectively vitally affects their life, liberty and pursuit of happiness. Progressive employers, recognizing this, welcome organization of workers as an expression of democracy in labor relations.



The interest of labor is international in scope. Wages, hours and working conditions are matters of universal concern. Low wages, long hours, deplorable working conditions in a far off country may eventually bring down all living standards. The International Labor Office at Geneva is designed to grapple with such problems. Although Americans were present at the inception of the I.L.O., the United States did not join as a member until 1934. The I.L.O. through its facilities for analyzing experience and gathering information from many countries provides government officials, labor leaders and employers with data of immense value.

Newspaper headlines today keep one labor issue constantly to the front: Craft and Industrial Unionism; the A.F. of L. and the C.I.O.; John L. Lewis and William Green. Back of these headlines is a long history brought to a focus by the rapid development of mass production industries. Running newspaper comment might lead one to believe that the C.I.O.-A.F. of L. controversy is merely a conflict of personalities between John L. Lewis and William Green. However, the basic issue is that of the general direction of the labor union movement and the adoption of effective methods to include all workers, skilled and unskilled alike in labor unions.

In legalizing the rights of workers to organize and bargain collectively, long endorsed in theory, the National Labor Relations Law would seem to be in the interests of public welfare and industrial peace. It gives workers assurance that the government of their country is no longer solely concerned with the protection of property rights but also stands for the protection of the rights of the masses. A thorough understanding of the background, nature and practices of labor unions would eliminate much of the criticism directed against the National Labor Relations Act. This Act together with the Wages and Hours legislation setting a floor under wages and a ceiling for hours are levers raising workers from the servant status to that of industrial citizens in a democracy.



Hands Across the Past

# LABOR AND DEMOCRACY

• by JAMES MYERS

## LABOR AS CITIZENS

The trade union movement has always insisted that "labor is not a commodity" to be bought and sold or reckoned in the same category as other costs of production. It has pointed out that while organized labor undertakes collective bargaining for better wages and conditions, this does not represent the whole of its purpose which is rather the attainment of a new dignity and status for working people in modern society.

Through labor unions workers have found an opportunity, not enjoyed by unorganized employees, to discuss their common aims and to make their influence felt on wider social issues affecting the nation and the world. Labor union meetings have become, in varying degree, forums for the debate of public problems. Through them union members have achieved a higher and more intelligent status as citizens. While it is true that labor union meetings and conventions exhibit all the weaknesses as well as the strength common to all democratic institutions and procedures, it may be said that the labor movement constitutes a major safeguard in the preservation of our democratic form of government.

In their actual impact upon civic and political life we may divide the activities and influence of trade unions under two



general heads: first, their effect upon social legislation; and, second, the more direct and conscious efforts of labor to elect political candidates or to form political parties of their own.

### *Social Legislation*

A careful reading of history will prove that organized labor has been a major factor in securing the enactment of humane and liberal laws. Through resolutions adopted at local, state and national union meetings, through appearance of its representatives at hearings on proposed legislation and by the potent influence of the ballot-box upon legislators desiring reelection, the interests of organized and unorganized workers as well as those of the general public have been advanced. The record is an impressive one, starting in the early days of American history with a successful agitation for free public schools, the abrogation of imprisonment for debt, and the widening of the suffrage to all citizens.

In addition to advocating laws to protect its own particular interests such as the right to strike and the right to picket, organized labor has been a major influence in obtaining legislation for public safety and health. It was not until after agitation by the Railroad Brotherhoods that Congress passed laws requiring proper safety devices on the railroads and that the high mortality from accidents was thereby reduced. Other state and federal laws for which organized labor has been chiefly responsible include provisions abolishing night work and unreasonably long hours for women, reducing child labor, abolishing sweat shops with their unsanitary and unsafe conditions, setting up workmen's compensation insurance for employees injured in industry, insuring safety devices and guards for dangerous machinery, safeguarding civil liberties and providing state minimum wage laws in low standard occupations. Organized labor helped to secure adoption of the Federal Fair Labor Standards Act, laws for slum clearance and low rent housing, social insurance against unemployment and old age, the Na-

tional Labor Relations Law, and scores of minor safeguards for workers' health and welfare.

In contrast to the achievements of organized labor, it must be noted that *unorganized* labor has had no direct part in obtaining legislative reforms for working people. To the charge that organized labor is too "class conscious," the reply is sometimes made that unorganized labor "isn't even conscious." Nor have employee representation plans, company unions or "independent unions" had any appreciable influence on public affairs. In many instances citizens' organizations such as the National Child Labor Committee, the National Consumers League, the American Association for Labor Legislation, the American Association for Social Security, church bodies and others have been effective in helping to secure these reforms. With few exceptions, it is unfortunately true that employers' associations have a record of active opposition to these progressive measures.

### ***Political Action***

Under this section we shall discuss briefly the policies of organized labor with reference to the more specific issue of the use of its power at the polls in the election of political candidates. In view of the world trend toward increasing power of the state to regulate and control matters of vital concern to all citizens and particularly in view of its power to determine peace or war, it is clear that economic action on the part of labor is not a sufficient guarantee of the welfare of working people.

It has long been the traditional policy of the American Federation of Labor not to ally itself with a particular political party or to set up a labor party, but rather to "reward labor's friends" and "defeat labor's enemies" at the polls. For this purpose the voting record of legislative representatives has been watched and endorsements have been made of individual candidates for office regardless of their party affiliation. It is obvious from the foregoing section that labor has accomplished much by this method, coupled no doubt with the fear in the



minds of politicians that a third party might at any time be advocated by labor if satisfactory results were not obtained.

### *Independent Political Action*

Whatever one's theory may be with reference to a separate labor party, in many democratic countries, among them Great Britain, France, the Scandinavian nations, Belgium, Holland, New Zealand, and Australia, progress in general labor welfare came earlier and in important respects has gone much farther than in the United States. In the countries referred to there have been not only strong labor union movements but powerful social-democrat, socialist, labor, or farmer-labor parties which, in a number of countries, have formed labor governments.

It is of considerable interest to note the beginnings of labor political trends in the United States. Conditions and factors in this country are different in important respects, and labor-farmer political action in America may not necessarily follow the pattern of the older labor movements.

As yet neither the A.F. of L. nor the C.I.O. has come out for a separate labor party. The A.F. of L. did not even take an official stand between the Republican and Democratic candidates for president in the 1936 national elections. The C.I.O. has set up as its political agency an organization known as Labor's Non-Partisan League which actively supports friendly candidates in existing parties, at present preponderantly in the Democratic Party. In some states members of A.F. of L. unions are also active in the state Non-Partisan Leagues. Labor's Non-Partisan League definitely endorsed and actively worked for the re-election of President Roosevelt.

### *Labor and Farmer-Labor Parties in America*

In certain states where the conditions were felt to warrant it, as in New York, New Jersey and Illinois, Labor's Non-Partisan League also encouraged the formation of labor parties. The American Labor Party in New York State has achieved quite spectacular results. Formed in 1936, it endorsed Roose-

velt for President and Lehman for Governor but did not run any independent candidates of its own. Some 263,000 votes were cast for Governor Lehman under the American Labor Party emblem. In 1937 the American Labor Party was the first party to nominate LaGuardia for Mayor of the City of New York. It also made independent nominations for city councilmen, for state assemblymen and some other candidates. It conducted an independent campaign financed almost wholly by trade union contributions and by dues of its members. It polled 482,459 votes for LaGuardia (24 per cent of the total vote for Mayor); and elected five city councilmen (out of 26), and five state assemblymen of its own. The American Labor Party also nominated and helped to elect Thomas Dewey as District Attorney of New York City. Mr. Dewey with this support has done much to clean up racketeering in New York.

While neither the Socialist nor the Communist parties are members of the American Labor Party, both endorsed many of the American Labor Party candidates in the 1937 election. The Socialists also withdrew their candidate, Norman Thomas, "in the belief that such action would strengthen the labor movement and the party's 'usefulness in building a national labor party.'"

Other significant developments in America are the Farmer-Labor Party of Minnesota, which for several years elected the Governor, and the Wisconsin Farmer-Labor Progressive Federation, which has worked for some years through the Progressive Party of that state. While labor-farmer forces suffered a severe set-back in these two states in 1938, they are still potential forces in the political scene. Both have come out for the formation of a national party when the time is considered opportune.

In a number of cities the Socialists have in various years elected mayoralty candidates as in Reading, Pennsylvania; Bridgeport, Connecticut; and Milwaukee, Wisconsin. These Socialist administrations have enjoyed a reputation for honest and



efficient government. In the case of Milwaukee, Mayor Hoan has been continuously re-elected for over twenty years.

### *Other Forces and Trends*

Another organization which for a number of years worked actively toward labor and farmer political action is the American Commonwealth Federation. Significant joint conferences have also been held by Labor's Non-Partisan League and the Farmers Union. Such a conference held in Chicago in 1938 declared that these groups must also "organize their political strength so that national and state governments may be used in democratizing industry" and drew up a suggested legislative program. However, the Board of Directors of the Farmers Union at a later meeting refused to ratify this action as premature but cordially endorsed holding further conferences to promote "better understanding between organized labor and organized agriculture." The effect of such conversations on possible independent political action is as yet uncertain.

The voting strength of the more distinctly radical political parties has not assumed any mass proportions in America. They are still at work on the national field but the combined votes of the presidential candidates of all minority parties, including Socialist, Communist, Union Party (Lemke), Prohibitionist, and Socialist-Labor, together represented only from two to three per cent of the total vote in the United States in 1936.<sup>1</sup>

The fears in certain quarters of "red" influence in America seem to be without much foundation at the polls.

It would, of course, be difficult to predict what future course American labor and farmers may take with reference to political action. We have endeavored merely to state very briefly the present situation in this country.

1. In support of the effect of minority parties on progressive social legislation, however, Charles A. Beard, one of the country's foremost political scientists, states in *American Party Battles* that: "As far as the great body of social legislation enacted during the last thirty years is concerned, it must be confessed that it sprang from movements of opinion quite outside the range of political orthodoxy, that is, from the agitation of minorities winning concessions from the major parties."

## ARE LABOR UNIONS RESPONSIBLE ORGANIZATIONS?

Under this heading we shall discuss the question whether labor unions keep their contracts with employers, the problems of graft and racketeering, the suggestion that labor unions should be incorporated, and other proposed remedies for irresponsibility where it exists.

### *Keeping of Agreements*

The charge is often made that unions are irresponsible and cannot be trusted to keep their agreements with employers. Impartial students, however, will agree that no such sweeping charge against unions is justified by the facts. With the exception of the building trades where jurisdictional disputes are more prevalent in some cities, and in certain unions where graft and racketeering exist, it can be stated that labor unions, both A.F. of L. and C.I.O., have excellent records of abiding by the terms of their contracts. Unions have at times violated their contracts, but their record is probably as good as that of the employers who have also at times violated their agreements with unions. As an illustration, following the "Jacksonville Agreement" in 1924 with the United Mine Workers of America, because of a difficult economic situation, there was quite general repudiation of contracts or subterfuges to escape the terms of the agreements by northern coal operators. As a rule, however, both employers and A.F. of L. and C.I.O. unions, have lived up to their agreements.

A recent and much publicised exception to this rule was the case of the United Automobile Workers' of America, a newly formed union, which, for some time after signing contracts with employers, continued to indulge in sporadic sit-down strikes contrary to its agreements. In this connection, however, it should be recalled that this enormous union (381,200 members) was very rapidly organized, and that it takes time to educate and discipline such a large number of new union members to abide by union rules and to take up their grievances



through the machinery provided in the contract. It must be remembered, also, that thousands of foremen and superintendents, who have been trained all their lives to oppose unions, do not quickly change their patterns of behaviour. They also have to learn to deal through union machinery and to avoid unnecessarily provocative attitudes which may cause flare-ups.

Labor history shows, however, that while early days of a new organization may be chaotic, it is ordinarily possible for even a large new union in time to educate and discipline its members so that they abide by the terms of their agreements. The example may be cited of the Amalgamated Clothing Workers which, when first organized some thirty years ago, had trouble with the continued use of unauthorized "stoppages" by its members. It was, however, able to overcome this difficulty so that for many years now all disputes have been taken up through the regular grievance machinery and the impartial chairman, without any interference with production. Difficulties characterized the early relations of all the older unions. They have gradually settled down into the orderly procedures and faithfulness in keeping their agreements which are representative of both A.F. of L. and C.I.O. unions in most industries.

### *Early Adjustments the Hardest*

It is not surprising, however, that during times of union expansion, when employers and workers for the first time find themselves in organized relationships, there is a more or less protracted period of irritation and painful adjustment. This is particularly true when employers have recognized unions grudgingly and only because of economic and legal pressure. When employers, as has been the case in most industries, have fought to the last ditch against unionization, it takes time to resolve the bitter antagonisms which have been built up. When, on the other hand, employers accept cordially the principle of unionization, even the early stages of union relations can be harmonious. The case of the relations of the United States Steel Corporation and the Steel Workers' Organizing Committee is

an outstanding example of the latter. The Chairman of the Corporation, Myron C. Taylor, reported on April 4, 1938, at the close of the first year that "the union has scrupulously followed the terms of the agreement and, insofar as I know, has made no unfair effort to bring other employees into its ranks, while the Corporation's subsidiaries, during a very difficult period, have been entirely free of labor disturbance of any kind." This confirmed the prediction made in a public statement by 100 ministers during the "little steel" strike that the union could be relied upon to keep its contracts. In this statement the ministers urged the settlement of the strike by signed agreements with the union. (See Biennial Report, 1937-38, Industrial Division, Federal Council of the Churches of Christ in America, 297 Fourth Avenue, New York.) Similar constructive results have been obtained by other employers like "Golden Rule Nash" of Cincinnati, Miss Josephine Roche of the Rocky Mountain Fuel Company, and others, who met the unions more than halfway when organization drives began and, as a result, turned the spirit of antagonism into one of cordial cooperation on the part of union officials and members. A wise employer can in this way save himself months of strife and inefficiency in the plant if he has the intelligence to do so.

In many cases where new unions are involved one needs to make allowance not only for inexperience of management in dealing with organized labor, but also for the inexperience of the union members and officers. It is not surprising, however exasperating it may be, that labor representatives suddenly thrust forward from the ranks of industrial employees, burdened with new responsibilities, still frantically busy with organization drives in other plants, often fail to give adequate and businesslike attention to prompt and proper adjustments of conditions in signed-up shops.<sup>2</sup> Under such conditions manage-

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2. An appeal to the higher union officials will often help to straighten out petty irritations and secure businesslike attention. This may sometimes be accomplished informally through the good offices of a friendly third party in order not to embarrass direct relations with local union officials.



ment needs great patience and the perspective of a knowledge of labor union history. For when established relations with a union are no longer in dispute, history shows that the machinery of adjustment begins to function, that agreements can be relied on and that generally satisfactory relations become the order of the day. During the early stages of union relations a spirit of tolerance and patience on both sides will smooth the way and hasten the process of understanding and fair dealing.

### GRAFT AND RACKETEERING

We come now to a consideration of the problem of graft and racketeering where they have crept into the union movement. In a real sense, labor racketeering is not a labor union problem as such but rather a segment of the general problem of racketeering in American civic, political and business life. Nor is racketeering prevalent in the labor union movement as a whole. It has been confined chiefly to various building crafts and trucking and service trades in a few of our large cities.

The rank and file of labor union members are just as honest as any other class in society. They have been victims of rather than conscious participants in the corruption of certain union officials. Nor is dishonesty among union leaders apparently as high as it has been in business life. The revelations of corruption in high places in the last few years in banking, investment trusts, mortgage companies, public utilities, the courts, a wholesale drug concern, and other business circles indicate the existence of so many glass houses that few economic groups are in a position to throw stones. However, the development of so-called "labor rackets" demands the grave attention of the labor movement itself and of the public.

### *Impartial Study of Rackets*

One of the best and most impartial studies of this subject has been made by a Committee of the City Club of New York which has for many years held a high reputation for its con-

contributions to honesty in civic affairs.<sup>3</sup> This report points out that racketeering in connection with labor unions "is in no sense peculiar to labor unions" but is a part of the general problem of racketeering in various areas of economic, political and business life. It describes the problem as follows:

"'Labor racketeering' consists in essence of the use of a labor union by racketeers to exact payments to the racketeers from the employer, from members of the union, or from both. The racketeer may himself be a union official or he may operate from without the union either through his agents or through the exercise of coercion upon intimidated union officers. The labor racketeer is often enabled to maintain his dominant position through cooperation, passive or even active, on the part of the employer, whose inertia to the existence of a racket may be partially explained by the fact that the cost of the racket is usually passed on to the consumer, or to another branch of the industry, rather than borne by the employer himself. A further explanation may be found in the fact that the employer may actually profit by the racket. Thus, the employer may find it profitable to make periodic payments to a union officer in order to avoid compliance with a union rule, such as payment for overtime, or a requirement that members of the union shall not work with, or on the products of, non-union labor. Or the employer may believe that the improvement of working conditions which may follow upon effective collective bargaining will cost him more than the labor racket.

"Again, the employer may take advantage of the racket to drive a competitor out of business or to maintain prices in connection with certain types of so-called trade associations. . . . An effective instrument for such coercion is found in the labor racketeer, who directs threats of labor trouble against those who might otherwise be unwilling to join or maintain membership in the trade association and who may eventually obtain influence not only in the association itself but also in other branches of the trade or industry in which the association functions.

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3. Report on Certain Aspects of Labor Union Responsibility and Control—The City Club of New York—Committee on Legislation—Subcommittee on Labor Unions, June 28, 1937. (This sub-committee was composed of impartial students of the subject with a lawyer as chairman.) Major rackets outlined in the appendix of this report include rackets in the building trades, motion picture operators, painters, iron workers, teamsters, live poultry, fish and fur markets, trucking in connection with butter and eggs and flour, and the restaurant or cafeteria rackets.



"Variations in the labor racket occur under varying conditions but the fundamental technique remains the same; upon analysis most labor rackets are found to be surprisingly similar.

"The labor racketeer sometimes obtains such power that he is able to create an unnecessary type of work from which he obtains income. For example, an indictment against racketeers in a local of the teamsters' union charges that these racketeers through their control of trucking forced upon the dairy industry a duplication in terminal operations, resulting in a \$300,000 annual increase in handling costs.

"Through his dominance of the industry, the racketeer may even set up an independent business servicing the industry, patronage of which is required of employers wishing to avoid labor trouble. An outstanding example is a case in New Jersey in which a racketeer compelled contractors to patronize his construction-bonding business. Another instance is that of a racketeer in control of a motion picture operators' union who forced theatre-owners to purchase supplies from him."

Sometimes, through collusion with dishonest labor leaders, the public is forced to buy from one or more business concerns owned by the political boss of the city. A minister in a mid-western city recently described such a situation. He was building a new church and using union labor. A strike was called without any labor grievances. The strike was immediately called off when the church, which had been purchasing cement elsewhere, ordered its supplies from local cement mills owned by the notorious political boss of the city.

The City Club report continues:

"While the membership of a union dominated by a racketeer may on the whole be better off by reason of improved conditions than in the absence of any union, the membership also suffers from labor racketeering. Exploitation of union members by the racketeer takes the form of the 'sell out,' most commonly in the form of agreements unduly favorable to the employer, the 'kick-back,' through requiring union members to return part of their wages to the employer or to union officers, the exaction of excessive dues, discrimination in union privileges or in the distribution of work, waiver of union rules or contract provisions, payment of excessive salaries to union officials or diversion or embezzlement

of union funds. The racketeer-controlled union may also be used as a device to combat legitimate union activity.

"While the employer may in the first instance pay the cost of a racket, that cost, like the cost of any other anti-social activity, is ultimately borne by the public in the form of increased prices and industrial strife. Some employers, such as small retailers, may suffer through being unable to pass on the racket cost, but, as we have pointed out, employers may obtain benefits from the labor racket through the maintenance of the price level and the elimination of effective collective bargaining. It is an interesting commentary upon the relationship that sometimes exists between the employer and the labor racketeer that the head of an employers' association in a notoriously racket-ridden industry is reported to have asked that one of the principal convicted defendants be paroled in his custody pending an appeal. And in the recent trial of restaurant racketeers, it was brought out that substantial contributions to their defense fund were made by restaurant owners."

In order to keep control of the union, corrupt labor leaders use "strong arm squads" to beat up or eject from union meetings members of their own unions who challenge their leadership, protest their policies, or demand accounting of union funds. They may also expel protesting union members and in some cases international unions have supported the racketeering officials. When a rival group of gangsters attempts to "muscle in" and take control, there are shootings and murders as in other areas of the gangster world.

The American Federation of Labor, while denouncing racketeering, seems to have taken no comprehensive or effective action to solve this admittedly difficult problem. Public investigations and private studies have revealed little, if any, racketeering in industrial unions. This may be due to a number of causes. Harold Seidman in his book, *Labor Czars—A History of Labor Racketeering*, feels that the relatively stronger idealism of industrial unions and their wider democratic objectives largely account for their lack of racketeering. He contrasts this idealism with the "business psychology" of some older craft union leaders who look upon unions as "a business" to secure benefits for workers and for the collection of dues for the union.

It may be that another factor helps to account for the situation. There is more opportunity for craft and service unions operating within the limits of a city market to enter into collusion with employers. Such employers have more control over prices in their market and are, therefore, able to pay labor graft while making extra profits for themselves.

### *Remedies for Racketeering*

#### (a) Political Reform

Racketeering depends largely upon public indifference and upon active support of corrupt political officials. One of the most effective remedies is through political reform and consequent vigorous prosecution of racketeers by the District Attorney as illustrated in the remarkable progress being made in New York by District Attorney Dewey. It is a hopeful sign that Mr. Dewey was nominated and elected with the vigorous support of the American Labor Party. When a city is wholly in the control of a corrupt political machine, investigation and reform may be started by the state, as was the case in New York under the Seabury investigation. The present Governor of Missouri is pressing such reform in Kansas City. Sometimes the federal authorities can help greatly through federal investigation of income tax evasion by political bosses and other infringements of federal law, as is being done at the present writing in Kansas City, Missouri, Louisiana and other places.

The City Club report discusses many other possible remedies including incorporation of unions, concerning which it concludes that: "It could place no serious obstacle in the path of racketeering; on the contrary, paper corporations and dummy officers might easily lend themselves to the extension of racketeering activity." Its conclusions are quoted in part below:

"To treat the problem of 'labor racketeering' as a problem peculiar to labor is fundamentally to misconceive the nature of the crime. Racketeering, according to a definition approved by Thomas E. Dewey, is 'the systematic extortion of money or property by the use of force or fear from the various members of a legitimate or illegitimate industry.' This definition applies with



equal force to all forms of racketeering, including racketeering exposed in connection with labor unions.

"Nor is racketeering in any proper sense typical of the labor movement. On the contrary, it is merely an invasion of that movement by a relatively negligible element. It is only in a few large cities that one hears of racketeers.

"Moreover, racketeering by and large has been and is being eradicated. The number of prosecutions and convictions are impressive. Indeed, there appears to be a tendency to exaggerate the problem in order to lend weight to proposals for union regulation."

#### (b) Strengthen Law Enforcement

The report goes on to say that:

"This is not to say that no problem exists. But that problem is not one of remedies, which are ample; it is one of enforcement." To meet the problem, the Subcommittee proposes that it be made a "penal offense for any one, whether a union member or an employer, to fail to report the existence of a racket" with appropriate safeguards for the protection of persons whose failure to act may be justified because of intimidation. It also points out that eradication of racketeering from a union is most effective when it comes from the members of the union itself, citing successful efforts of certain unions.

The great majority of union members are honest. The chief problem is that of assuring democratic control within the union itself. Sometimes a committee composed of citizens whose friendliness toward organized labor is beyond question can help to give publicity to a racketeering situation in a union. This cooperation strengthens the hands of union members who are known to be working within the union to remedy such conditions.

#### (c) Democratic Control of Unions

The key to democratic control of a union by its rank and file members lies principally in the free elections of its officers and of its delegates to conventions. Autocratic control of unions by domineering or corrupt officials is often made possible by "postponement" of national conventions sometimes for several years. This gives no opportunity to the membership to elect new na-

tional officials. Unless both local and national officials are freely chosen at stated intervals, even the right of members to appeal grievances from a local to the international and to the convention is of little avail. Entrenched officials by control of "credentials committees" at national conventions may also refuse on technicalities to seat hostile delegates, and may assure their own re-election through "packing." Some constitutions and by-laws also may give certain officers the power of appointing others. This power is sometimes abused. The City Club report states:

"Theoretically, the constitutional provisions permitting to aggrieved union members a hearing are thoroughly adequate. In practice, however, the appeal provisions have proved inadequate because the officers against whom the complaint is directed frequently dominate the board to which the complaint is made, and the responsible officers of the national body fail to take impartial action.

"Moreover, the membership often does not avail itself of intra-union machinery because of apathy or because of a realization, not only of the difficulty of invoking this machinery, but also that aggressive union members, if unsuccessful, may be punished by expulsion from the union, or by the arbitrary imposition of fines or penalties."

#### (d) Democratic Elections in Unions

For these reasons the City Club report recommends the passage of appropriate laws to:

"facilitate and encourage union members to elect officers of integrity truly representative of the union. Such legislation, however, should be so drafted that it could not be construed to authorize interference with intra-union policies, which are properly for the determination of the membership itself. Legislation of this character, if so drafted, would not subject the union to governmental regulation in the sense of the proposals discussed in connection with racketeering, but should require self-disciplinary measures upon the part of the union itself. To these ends, the Subcommittee makes the following proposals:

"ANNUAL ELECTIONS. *Laws applicable to unions, such as the General Associations Law in New York, which applies to all voluntary unincorporated associations including unions, should be amended or other appropriate legislation enacted to require an election, by secret ballot, at a convention or otherwise, at least*

*once a year of all officers of a union, whether local, or national or international, and including delegates. No officer should be deemed elected without the affirmative vote, in person or by proxy, of at least a majority of a quorum of the membership, consisting of a majority of all members. It should be made the duty of the union's president and vice-presidents to call the elections required by law, upon prescribed notice to all members, stating, among other things, the salaries attaching to the respective offices to be filled, and failure to do so should be made an offense, punishment of which should be an appropriate fine payable to the union, enforceable at the instance of any union members."*

(e) Appeal to Impartial Board

The report recommends that in case any question arises in connection with an election, the power to pass upon it should rest with an impartial body such as a State or National Labor Relations Board which, if called upon to do so, would "certify whether or not an officer actually represents his union by virtue of an election, just as at present it certifies whether a union actually represents a majority of employees for the purpose of collective bargaining." The report rules out government supervision of all union elections because in its opinion "the problem is not sufficiently serious or widespread to warrant so drastic a regulation and that in any event the cost of supervising thousands of elections throughout the United States would be prohibitive." The report suggests also that:

(f) Majority Approval of Expulsions of Union Members

"A statutory prohibition should be enacted against the expulsion or suspension of a member of a labor union, whether for failure to pay a fine or for other reasons, except after a majority vote of likewise be a statutory inhibition against the expulsion of a local the membership at a meeting called for the purpose. There should union from a national or international union or from a national body, without a majority vote at a convention."

(g) Financial Reports of Unions

"Laws applicable to unions should be amended or other appropriate legislation enacted to provide that every association subject to that law must furnish its members with annual financial statements with such detail as may be requested if a majority of the membership so vote. Failure to render such statements should



render the responsible officers subject to removal and to a fine payable to the union."

### SHOULD UNIONS BE INCORPORATED?

Our discussion of whether unions keep their agreements, and of the evils of racketeering with suggested remedies, has already covered many of the points usually raised in connection with the demand that unions should be required to incorporate. However, further questions remain to be discussed in this specific connection. Since the legal status of most unions in America is that of voluntary unincorporated associations, it is charged that this status renders their funds practically immune from liability for breach of contract. This, however, is not the case.

### *Unincorporated Unions Can Be Sued*

In most states "unions in appropriate cases can now be sued through service upon their officers and their funds subjected to liability and in jurisdictions in which such suits cannot now be maintained legislation should be enacted to authorize such suits. While it is always difficult to establish liability of a principal for the torts of his agents, and properly so, no sufficient reason appears why it should be simpler to establish such liability in the case of unions than in the case of other organizations."<sup>4</sup>

### *Unincorporated Unions Can Be Enjoined*

In addition unions are subject to injunction proceedings to prohibit unlawful acts such as "violence, coercion or fraud, but also to ban acts not intrinsically unlawful such as strikes, boycotts and picketing. No complaint has been made that a union or its officers or members are not amenable to a decree in equity for an injunction. On the contrary, the abuse of the labor injunction has led to statutory regulation of its issuance and of the method in which disobedience of its terms may be punished. So-called anti-injunction statutes recently enacted by Congress and by a number of states, including New York, prescribe pre-

4. City Club report which cites cases including *United Mine Workers v. Coronado*, 259 U.S. 344; Supreme Court and the Danbury Hatters case—*Loewe v. Lawler*, 235 U.S. 522.

requisites to the issuance of an injunction and accord legal immunity to peaceful picketing in certain types of disputes. These statutes, however, do not apply to unlawful acts involving violence or breach of the peace or to acts involving a breach of contract, and such acts may still be enjoined." (City Club Report)

### ***Compulsory Incorporation Not Desirable***

It is a little surprising that many advocates, especially among business men, of the incorporation of unions "in order to make them responsible and liable for their acts" overlook the fact that incorporation is a privilege granted by the state to those who wish to *limit* their personal liability in a business venture.

"To apply the corporate principle to labor unions in order to increase the liability of their members, even if it could accomplish this purpose, would represent a manifest perversion of the theory of incorporation. This has been recognized by Mr. Walter Gordon Merritt, counsel for the Realty Advisory Board of New York, who is an outspoken sponsor of legislation for the regulation of labor unions. That Mr. Merritt is opposed to compulsory incorporation is significant since he was counsel for the employers in the *Danbury Hatters* case and also filed a brief *amicus curiae* against the union in the *Coronado* case." (City Club Report)

The primary reason why labor union spokesmen object to the incorporation of unions is that it would open the way for hostile employers to take unfair advantages of unions. This is a very real danger since it is easy for an employer to hire, as an employee, a labor spy who can join the union and purposely make trouble for which the union can then too readily be made responsible.

### ***Experience in Great Britain and Scandinavia***

As the report of the President's Commission on Studies of Industrial Relations in Great Britain shows, labor unions "cannot be incorporated" but *voluntary* registration of trade unions is provided for by law, also voluntary certification in lieu of registration. Marquis Childs in his book *This is Democracy* reports that trade unions in Scandinavian countries "are not incor-

incorporated or registered in any way. But there has never been any real question about their responsibility under the law."

Mr. B. Seeböhm Rowntree of the Rowntree Chocolate Company of York, England, and one of the prominent employers in Great Britain, comments on the great interest in America in such questions as to whether unions should be incorporated, or what laws should be enacted to deal with picketing and remarks: "I do not, of course, deny that it is desirable to decide these questions wisely, but they are of secondary importance. A wise employer will not trouble too much about them. He will rather ask: 'Now, what's all the trouble about?' And when he seriously inquires into this, he will find that the workers have quite a lot of legitimate grievances, and the whole community suffers from the industrial unrest to which they give rise. Surely it is wiser to attack these grievances than to spend time and effort in perfecting what are, after all, the methods and tactics of warfare."

### *City Club Recommendations*

#### *(a) Incorporation Not Needed*

We have quoted at some length from the report of the Subcommittee of the City Club because it seems to us one of the most objective, impartial, and realistic studies which have been made. For the same reason, we note, in conclusion, its recommendations. It believes for reasons stated in previous pages that no serious problem has been shown to exist which would warrant legislation such as compulsory incorporation or registration to increase union liability for torts or breach of contract. It believes, however, that in addition to legal remedies suggested under the foregoing section on racketeering, two other safeguards should be enacted into law.

#### *(b) Democratic Approval of Union Agreements.*

"It would be desirable," the report declares, "to have every long-term agreement submitted for the approval of union members expected to fulfill that agreement. Moreover, a requirement that collective bargaining agreements be approved



would tend to promote democratic control, to prevent sell-outs by racketeers, and to discourage their calling of strikes to obtain graft. The Subcommittee therefore recommends that trade union agreements for more than a year, to be enforceable, must be authorized or ratified by the union sought to be bound." As a matter of fact this is already common practice in many unions.

(c) Employers Required to Verify Credentials of Union Representatives

The City Club Subcommittee also believes that employers should be made responsible for dealing only with union officials who have been legally authorized to represent the union, just as it is the responsibility of a person negotiating a contract with a business corporation to make sure that the officer representing the corporation has been vested with proper authority by the Board of Directors. "If the employer would squarely meet this responsibility through the refusal to recognize officers not representative of the union, he would encourage democratic control and at the same time would assist in the elimination of racketeering."

UNION-MANAGEMENT COOPERATION FOR  
EFFICIENCY

While it has been necessary in the interest of presenting a candid description of American labor unionism to devote part of the foregoing chapter to serious evils which have developed in certain unions, it must be said again that these corrupt conditions are not characteristic of the movement as a whole. On the contrary, in many industries which have been organized over a long period of years, it has been demonstrated that it is possible for organized employers and organized employees to maintain generally harmonious relations with honesty and integrity on both sides, and to adjust their differences through joint conciliation without recourse to strikes and lockouts. This has been true of both American Federation of Labor

unions and of the unions affiliated with the Congress of Industrial Organizations. One reason for lack of knowledge of this fact on the part of the public is that the press does not consider it "news" when people get along nicely together. The newspapers feature strikes, dishonesty and upheavals in industrial relations rather than the much more significant daily round of peaceful but "unexciting" labor relations. Similarly, if we were to judge married life from the newspapers, we should come to the conclusion that marriage is a complete failure. It is only "news" when a husband beats his wife over the head or she seeks a divorce.

Furthermore, there are significant illustrations, in unions affiliated with both groups, of the positive role which a union can play in stabilizing industrial relations, increasing efficiency in a plant, and offering constructive cooperation to an employer in the successful conduct of his business.

We cite below a number of such bona fide cases of union-management cooperation to illustrate what can be done when both unions and employers apply their brains and energy to creating mutually beneficial relations rather than in fighting each other.

### ***Baltimore and Ohio Shop Crafts***

In 1924, following a strike, President Daniel Willard of the Baltimore and Ohio Railroad and the Shop Crafts Organization (comprising A. F. of L. shop crafts unions), under the constructive leadership of W. W. Johnston, then President of the International Machinists Union, entered into an agreement, not only making the usual specifications as to wages, hours and settlement of grievances, but definitely proposing cooperation to increase efficiency in the shops. A consulting engineer, Otto S. Beyer, Jr., was engaged by the unions to assist in working out the plan. Joint Cooperative Committees were set up for each district, also a System Cooperative Committee, each composed of representatives of the unions and of the management, to discuss at regular meetings suggestions for economy and

efficiency of shop operation in a "spirit of mutual helpfulness and not one of criticism or fault finding." Subjects discussed at these meetings have included "storage and care of materials, tool equipment, machine operation and crane service, scheduling of work through the shops, classification and handling of freight and passenger car repairs, methods of repair work, handling and disposition of scrap, inspection of scrap and reclamation of usable material, conditions of shops and grounds." All suggestions were thoroughly discussed, those considered impractical eliminated and recommendations finally made to the management. A summary of results of this plan to date, as outlined in a letter from James S. Murray, Vice-President, July 22, 1938, shows a total of 102,903 men present, the average attendance being 10. Of this number 55,735 represented the employees, the remainder representing management. Out of 29,658 suggestions received and discussed, 25,615 were adopted.

After the plan had begun to show results, President Willard expressed gratification and pointed out the improved morale of employees who are allowed to share systematically in the responsibilities of efficient operation. Such an arrangement, he said, "emphasizes to each man the importance of the work which he himself is doing, and the responsibility which goes with his job or position, and which rests upon him personally to do good work, to do honest and dependable work, not just because it is his duty as an honest man to give good work in return for good wages paid in good money, but because, realizing the responsibility which he shares with the management for the safe and proper operation of the railroad, he *wants* to do good work."

### *Amalgamated Clothing Workers*

The Amalgamated Clothing Workers of America, affiliated with the Congress of Industrial Organizations, has long enjoyed a good name for the fair adjustment of disputes through machinery of conciliation and arbitration jointly maintained



with employers' associations. In addition to the usual union methods of adjustment of grievances, the Amalgamated sets up jointly with the employers' association a sort of informal court with an Impartial Chairman, or judge, who is jointly chosen by the union and employers, and one-half of whose salary is paid by each group. Disputes which cannot be otherwise settled are argued before the Impartial Chairman and his decisions are accepted by both sides.<sup>5</sup>

The Amalgamated has, in addition, earned a reputation for helping manufacturers to reduce costs of production and increase efficiency of operation, while at the same time improving working conditions and raising wages for the workers.

In 1925, after fifteen years of contractual relations with the Amalgamated, Hart, Schaffner and Marx, of Chicago, found itself faced with the difficult problem of producing a new line of suits which could compete in lower-priced markets. This involved a radical reduction in costs of production, reorganization of shops, introduction of labor saving machinery, lower piece-rates for workers. The company, a pioneer in constructive union relationships in the men's clothing industry, was deeply concerned over the interests of its workers and hesitated to make such drastic changes. It laid the whole problem before the Union. The Union met the Company half way, joined the management in a study of costs and reorganization proposals, co-operated in setting up an experimental shop, made concessions in long established union customs, agreed to lower general piece-rates with the expectation of so increasing production as to maintain weekly wages and provide full time work. Among other savings to the Company was the assumption by Union officials of keeping discipline among the workers and guaranteeing that they would maintain agreed-upon standards of quality. This enabled the Company to reduce its staff of quality inspectors.

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5. The International Ladies' Garment Workers' and some other unions also use this procedure. Almost all union contracts call for arbitration as a last resort.

Similar policies adopted by the Union throughout the market brought successful results not only in Hart, Schaffner & Marx but in many companies, according to the 1928 report of the Amalgamated which states that "the savings that have been effected by this procedure have gone to raise the standards and the incomes of our members and to increase the business of unionized firms."

We quote below an extract from an article on Sidney Hillman, President of the Amalgamated Clothing Workers which gives another illuminating illustration of the statesmanlike policies of the Union under Mr. Hillman's leadership.

"A unique reaction for a manufacturer to get from a militant labor union was experienced by the head of the Kahn Tailoring Company of Indianapolis. After a hard struggle the Amalgamated signed up the shop. A year later Hillman received an urgent telegram from the head of the firm asking for a conference. Hillman found the sixty-four-year-old man pale and under emotional stress. 'Mr. Hillman, I wanted you to be the first to know,' he said, 'that after fifty years of uninterrupted business the Kahn Tailoring Company is liquidating. But it is not in the least the fault of the union and I will make a public statement to that effect.'

" 'What has happened?' Hillman asked, though he had known for some time.

" 'We're overextended on inventory; I owe the banks \$300,000 and they refuse to extend the loan.'

" 'Perhaps they will,' Hillman offered, 'if you tell them that the Amalgamated will advance \$100,000 to tide you over.'

"The manufacturer stared. When he told the bankers they stared too, but they extended the loan. The Kahn Tailoring Company used only \$30,000 of the Amalgamated's loan and repaid it within a year.

"Hillman delights in exposing the practical considerations that underlie everything that he does. 'The Kahn Tailoring Company was the only big employer of men's garment workers in this city,' he told me. 'If it closed there would be some 900 of our union members without jobs. Also the plant was so near Chicago that some manufacturer would find it profitable to snap it up at the

sacrifice price it would bring, and by running it with non-union labor he would make it hard for Chicago manufacturers to compete with him. We had to protect our Chicago market. We had investigated the Kahn Tailoring Company's business and found it sound, and our analysis seems to have been more thorough than the judgment of the banks that almost forced the company to the wall. So, all in all, we did not lose by our loan.' (Sidney Hillman. By Joseph Gollomb—*Atlantic Monthly*, July, 1938.)

A group of church people were deeply impressed last winter in an interview with the Manager of B. Kuppenheimer & Company, in Chicago—another company having an agreement with the Amalgamated Clothing Workers—when he declared that he personally prefers to have a union because he does not have to worry any longer about labor relations, and can devote all his energies to manufacturing problems. He had learned to live with organized labor and like it! A later interview with the union organizer equally impressed the group because of his fairness and his intelligent grasp of technical as well as human problems involved in the industry.

A study by an outside industrial engineer of the A. Nash Company of Cincinnati, a year after the Company had voluntarily signed an agreement with the Amalgamated, showed that not only had labor relations been harmonious, but that the Union had helped to reduce costs and increase efficiency of operation.

### ***Cooperation for Efficiency in Pulp and Paper Making***

The Pulp Division of the Weyerhaeuser Timber Company, Longview, Washington, has a signed agreement with the International Brotherhood of Pulp, Sulphite and Paper Mill Workers, affiliated with the American Federation of Labor, covering the usual items of wages, hours, settlement of grievances. In addition, Mr. Robert B. Wolf, Manager of the Pulp Division, has discovered that these union men respond with valuable suggestions for increasing efficiency and reducing costs of production. "Men will use their brains as well as their



hands," says Mr. Wolf, "if management gives them the facts about the business."<sup>6</sup>

The Pulp Division of the Weyerhaeuser Company uses a systematic plan for getting the facts before its workers and inviting suggestions from them. Useful ideas often thus originate from the men themselves. Group meetings are held every three months, on company time, for machine and process operators in each department. Usually a group consists of ten or twelve men. At these meetings the superintendent, the technical director, and the foreman are also present. Each employee is asked directly for any suggestion to improve quality or reduce costs of manufacture. Discussion follows. Pros and cons are brought up, and often constructive and practical ideas emerge. "It is better than the old suggestion box into which men might drop their suggestions," says the manager, "because brand new ideas often result from the mental stimulation of mutual discussion."

The management also announces, a week in advance, some special problem of operation, quality, sales, or market conditions, which will be discussed so that the group can give thought to it for some time before a meeting is held. Letters are read from company salesmen at distant points bringing their problems "right back home"—gearing to the way men run their machines and do their work in every department the very ability of the company to keep the plant running. Success means work for everyone.

Minutes of all group meetings are posted in the department involved so that he who runs may read. The following incident strikingly illustrates the value of giving the workers the facts. On one occasion the results of certain laboratory experiments showing greatly improved results from a new method were charted and posted. After the men had studied the chart one of them exclaimed, "Why the devil don't we do it that

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6. See *Their 10 Reason Why*, by James Myers, *Survey Graphic*, July, 1938.

way?" And they did. The transition to new and better methods, often a difficult matter with humans in all ranks of society, was made on the initiative of the workers themselves—*when they were given the facts.*

One of the most recent announcements of proposed union-management cooperation through joint research and the adoption of measures to increase production and efficiency comes from the Steel Workers' Organizing Committee which has issued a Handbook entitled, *Production Problems*, to its local lodges in the 529 companies under contract with the S.W.O.C.

### *The Hormel Company Plan of Annual Wages*

Believing that the by-the-hour employment of labor, which prevails in practically all industries, "is a kind of chisel, forcing the employee to take the first rap for the management's failure to maintain work," Mr. Jay C. Hormel, President of Geo. A. Hormel & Co., a meat packing house in Austin, Minnesota, beginning in 1931, gradually established an annual wage payment plan which now covers the company's 3,000 plant employees. Although such a radical departure from the usual wage payment plan entailed many adjustments, negotiations between the management and Local 183, of the United Packinghouse Workers' Union, affiliated with the Congress of Industrial Organizations, were carried on with patience, flexibility, and in a cooperative spirit by the Company and the Union.

The agreement calls for a basic average forty-hour week. Employees agree during rush seasons to work up to fifty-three hours a week for the same wage, and the Company agrees to pay the same weekly wage in slack seasons when employees work less than forty hours. Wages, hours, and working conditions, including the important matter of budgeting the amount of work to be done, are reached by negotiation and covered by agreement with the Union.

Testifying before a special Senate Committee, Mr. Hormel

described an incident which first set him thinking seriously about the injustice of the usual wage system. During a slack season, he was obliged to lay off a worker who replied: "You can't do that to me. You can't turn me out in the street. You wouldn't turn a horse out in the street." Yet industry generally, because of the wage system, does just that with millions of workers.

Under the weekly and annual wage plan, Mr. Hormel points to increased efficiency and interest in their work on the part of employees, a reduction of labor turnover, and an assured force of skilled workers at all times. He also called attention to improvement in the general welfare of workers' families, the purchasing of automobiles and building of their own houses because they are assured of a steady income and are able to plan their personal expenditures.

Mr. Roy Franklin, agent for the Union, and Mr. E. E. Jacob, its President, also confirmed these results and testified as to the satisfaction of the workers with the plan. They pointed out that such a plan would, however, be a detriment to labor in a company which was not organized because it would lend itself to undue speed-up systems—through setting unreasonable work-budgets. Both Mr. Hormel and the Union representatives emphasized the value of the Union as a means of raising wage standards throughout the whole industry and as a protection to the single employer who desires to pay better wages.

The subject of an annual wage is receiving increasing attention with proposals coming from a number of companies, including the General Motors Corporation. All annual wage plans should be studied carefully with reference to (1) labor union protection for the employees, (2) actual effect on annual wages, and (3) the effect on the unemployed. Under present conditions an annual wage plan might considerably benefit the limited number of employees fortunate enough to be required, while reducing the chances of larger numbers of individuals for at least some employment during the year. The annual



wage plan constitutes a most important field for study and experiment. Its successful solution (including fairness to the present unemployed) will, in the end, depend upon the solution of the wider problem of industrial expansion and permanent maintenance of production and distribution at high levels.

In concluding this section on union-management cooperation, it can be said that there is ample evidence that, with the exception of the limited number of situations where racketeering or unintelligent leadership is in control, labor unions may be expected to respond to reasonable arrangements with employers for higher efficiency and economy of operation. A wider understanding of this fact would eliminate much of the fear of employers who have previously hesitated to enter into union relations.

Furthermore, cooperative relations on the part of employers with unions themselves tend to develop reasonable and intelligent labor leaders. So long as industry fights against the organization of employees, just so long is it to be expected that labor unions will feel the need of belligerent fighters as their leaders. When, on the other hand, industry enters into cooperative relations with unions and matters are settled by agreement across the table and in joint research, the very situation itself develops labor leaders who must deal with the reasonable presentation of facts and with realistic adjustments. As B. Seeböhm Rowntree declared: "I can well realize that there may be a difficult time for many American employers through having to recognize the Trade Unions, but quite apart from recent legislation, sooner or later they would have had to do it, and as the Unions find that they are no longer repelled by employers, they will gradually show the same helpful and co-operative spirit as they show to good employers in Britain. The Unions will find that in the long run it pays them better to entrust their negotiations to tactful diplomats rather than to blundering bullies." This change has already taken place in wide areas of American labor unionism.

## FOR YOUR FURTHER STUDY

For further insight into these problems don't miss the rest of Mr. Myers' book soon to be published which includes discussion of democracy in labor relations, different kinds of unions, employee representation, company unions, independent unions, craft and industrial unions. He analyzes the A.F. of L.-C.I.O. conflict and comments on the outlook for reconciliation. He gives statistics on union membership, answers the question, "Is the C.I.O. Communist?"

In the Foreword to his book, Mr. Myers says,

"It is hoped that this impartial presentation of facts, and personal interpretation from the point of view of one who believes profoundly in the American principles of government and in the ideals of religion, may be of some service in promoting public understanding and suggesting ways to peaceful and constructive industrial progress in harmony with our ideals of American democracy."

An unusual chapter describes the actual process by which grievances are adjusted under union agreement. Chapters follow on *Strikes and How Prevent Them*; *Profit-Sharing*; *Labor as Consumer—Consumers' Cooperation*; *The National Labor Relations Act*; *International Labor Relations*, including description of the I.L.O.

What might be termed tests of the degree of social mindedness of organized labor itself are discussed in chapters on *Labor and World Peace*; *Negroes and Labor Unions*; and *Women and Trade Unions*. The concluding chapters cover *Workers' Education*, and *The Church and Labor* with specific suggestions for programs for churches in the field of labor relations.

Throughout the book, the author draws upon his wide experience for first hand facts and illustrations.

Additional reference material on labor relations is listed in the bibliography.

## WHAT HAVE YOU LEARNED?

*In the light of your reading of this issue of  
SOCIAL ACTION and the other material suggested:*

1. What are the aims and purposes of organized labor?
2. Why do unions sometimes fail to achieve their purposes?
3. Name some of the actual accomplishments of organized labor in the United States.
4. Have labor unions in the United States been closely identified with any political party?
5. Which one of the Union-Management cooperation plans described impressed you most favorably?
6. State briefly what seems to you the most important single fact you have learned from reading this issue?

## WHAT DO YOU THINK?

1. Do you agree that a strong labor movement is an essential part of democracy?
2. Do you favor incorporation of labor unions?
3. Do you favor the formation of a National Labor or Farmer-Labor Party?
4. Do you think Labor Unions are usually irresponsible organizations?

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## LABOR UNIONS; A Selected Reading List

*Labor Troubles and the Local Church*, by Albert W. Palmer and others.  
An analysis of the Maytag strike at Newton, Iowa. Council for Social Action, 1939, 40 pp., 15c.

*Steel and Men*, by H. O. Hatcher. Council for Social Action, 1937, 36 pp., 10c.

Facts about the steel industry and steel workers. Beautifully illustrated.

*National Labor Relations Board*, by Louis Stark. Council for Social Action, 1938.

Mr. Stark of the *New York Times*, dean of labor reporters, explains the workings of the N.L.R.B.

*Unions of Their Own Choosing*, by Robert R. R. Brooks. Yale University Press 1939, 296 pp., \$3.00.

"The most lucid account of the work of the National Labor Relations Board which has yet appeared."

*When Labor Organizes*, by Robert R. R. Brooks. Yale University Press, 1937, 361 pp., \$3.00.

A picture of the great labor upheaval of our day. Informal, simple, clear and interesting.

*Labor Czars*, by Harold Seidman. Liveright, 1938, 317 pp., \$2.50.

A history of labor racketeering.

*Industrial Valley*, by Ruth McKenny. Harcourt, 1939, 379 pp., \$3.00 (paper ed. 98c).

A literary pageant of the lives of the rubber workers in Akron, Ohio from January 1933 to March 21, 1936 when they won their first big strike.

*Organized Labor and the Cooperatives*, by James Myers. Cooperative League of America, 1939, 32 pp., 10c.

*This is Democracy*, by Marquis W. Childs. Yale University Press, 1939, \$2.50.

Collective bargaining in Scandinavia.

*In Blood and Ink*, by Maury Maverick. Modern Age Books, Inc., 1939, 282 pp., 75c.

*Jobs for All*, by Mordecai Ezekiel. Knopf, 1939, \$2.00.

Offers a plan — "Industrial Expansion," which utilizes private enterprise.

*Death of a Yale Man*, by Malcolm H. Ross. Farrar, 1939, 395 pp., \$2.50.

"Malcolm Ross has here written the post-war equivalent of Lincoln Steffens' *Autobiography*."—R. R. R. Brooks

*Prayers for Self and Society*, by James Myers. Association Press, 32 pp., 1934, 15c.

Christian Family Life is one of the five points emphasized by the Division of Christian Education in its *Program of Progress* for the church year 1939-40. To meet the need of those participating in this program, the Council for Social Action has assembled a *Family Life* study packet. This packet contains a worship service, a study outline and valuable pamphlet material. The price is 35c., plus postage. Order from: The Council for Social Action, 289 Fourth Avenue, New York, N. Y.



Dear Reader:

The editors of SOCIAL ACTION would like to conduct an experiment. But they cannot do it without your help.

We want to discover the usefulness of our magazine and the suggestions you have in regard to it.

Because we are publishing only ten issues a year, we want those ten to be as informative, interesting and useful as possible. We should be interested to know what you think of this particular issue.

May Labor Sunday have a special meaning to us all this year.

Faithfully yours.

The Editors

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I should like to make the following suggestions for the improvement of SOCIAL ACTION:

I should like to have five extra copies of "Labor and Democracy" to distribute to my friends, and am enclosing 50 cents to cover the special price.

.....Please send the copies to me.

.....Please send one copy to each of the five names listed below.

- 1.
- 2.
- 3.
- 4.
- 5.

# A Prayer for Labor

•

O God, Thou art Thyself the Master Workman, skilled Creator. Hast Thou not also revealed Thyself to us in Jesus the carpenter, whose roughened hands bear eternal testimony to the dignity of toil?

We sense Thy presence in the labor movement, in the upward surge of the masses, who with the awakened self-respect of children of God, have through the centuries cast off the shackles of slavery and serfdom, and stand now gazing toward the dawn of a greater freedom.

We praise Thee for those brave spirits who have led the way; who have dared to risk even their children's bread in organized endeavor to improve the lot of all; who for their unselfish devotion have been condemned as outcasts of society; suffered contumely; endured prison; sacrificed their lives as martyrs to the cause.

Help Thou the labor movement of our day to be worthy of its heritage. Unite in high purpose the workers in the factory and on the farm. Preserve them from temptation to selfish complacency in partial gains for any favored craft or race or nation. Guard their leaders from lust for personal power. Guide them in the service of the common good.

Help the workers of all lands to stand shoulder to shoulder for justice and peace among the nations. Save them from contamination with the sin of selfish nationalism. Keep them from supporting national armaments under the false illusion of providing work or special privilege for themselves, while they betray the workers of the world for a mess of pottage.

Grant to labor the wisdom to seek a world of peace and plenty by means of organization and the ballot, keeping their movement free from hate and violence, building into the cooperative commonwealth those spiritual values which alone can make it endure.

Bring, at last, all workers by hand or brain into world-wide brotherhood; into closer fellowship with Thee, O God, the Father of us all.

In the name of Jesus Christ, our Lord, Amen.

*From Prayers for Self and Society*

*by James Myers, Association Press, New York*